

# DEFENSE HORIZONS

National Defense University

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## Key Points

- ◆ Several official national security documents, joint publications, and DOD directives emphasize partnerships between the government and private sector. Yet efforts to implement public-private arrangements often encounter difficulties, especially in DOD.
- ◆ Public-private cooperation (PPC) must be based on shared visions, principles, goals, objectives, standards. There needs to be a sense of community around a common purpose. Cooperation is most effective when all partners gain something of value and make concessions symmetrically.
- ◆ DOD must pay more attention to PPC, clarify authorities, and allocate appropriate resources. Incremental changes can bring benefits now, but systemic solutions will be needed for DOD to implement PPC on a scale to meet the evolving demands of the new strategic environment.
- ◆ This paper anticipates challenges and identifies steps to overcome them. In subsequent research, a broader, multi-dimensional framework could be developed to explore more examples in greater depth.

## Public-Private Cooperation in the Department of Defense: A Framework for Analysis and Recommendations for Action

by Linton Wells II and Samuel Bendett

In 2010, a National Defense University (NDU) research project called TIDES<sup>1</sup> (Transformative Innovation for Development and Emergency Support) was invited to partner with a company to produce a tradeshow about humanitarian assistance and disaster relief missions and related capabilities. Despite senior-level Department of Defense (DOD) guidance to pursue public-private partnerships, DOD attorneys told TIDES managers to reject the agreement. Differing legal interpretations of the word *partner* generated concern that the proposed partnership could create an impermissible perception of government endorsement of a private company. Even though it would have advanced the government's mission and promoted efficiency, a variety of obstacles scuttled the proposed cooperation.

Such limitations on public-private engagement are often reported at combatant commands and raise questions about what policies and activities are appropriate.<sup>2</sup> The examples cited in this paper collectively represent a broad landscape of situations in which well-intentioned people pursued cooperation between a DOD organization and private entities yet encountered serious obstacles. These examples generated provocative and interesting questions about how best to conduct public-private cooperation (PPC) and these questions led to a diverse array of insights into the nature of PPC, which in turn evolved into a collection of far-ranging recommendations.

This paper is intended to promote PPC in DOD.<sup>3</sup> The opening section articulates the imperative for PPC. It then proposes an analytical framework that features four broad categories along a continuum of formality: contractual arrangements, well-defined standards and protocols, broad frameworks for interaction, and emergent or undefined situations. The next section presents

<b>Report Documentation Page</b>			Form Approved OMB No. 0704-0188	
<p>Public reporting burden for the collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington VA 22202-4302. Respondents should be aware that notwithstanding any other provision of law, no person shall be subject to a penalty for failing to comply with a collection of information if it does not display a currently valid OMB control number.</p>				
1. REPORT DATE <b>OCT 2012</b>	2. REPORT TYPE	3. DATES COVERED <b>00-00-2012 to 00-00-2012</b>		
4. TITLE AND SUBTITLE <b>Public-Private Cooperation in the Department of Defense: A Framework for Analysis and Recommendations for Action</b>				
5a. CONTRACT NUMBER				
5b. GRANT NUMBER				
5c. PROGRAM ELEMENT NUMBER				
6. AUTHOR(S)				
5d. PROJECT NUMBER				
5e. TASK NUMBER				
5f. WORK UNIT NUMBER				
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) <b>Center for Technology and National ,Security Policy (CTNSP), Institute for,National Strategic Studies, at the National Defense University,Washington,DC,20319</b>				
8. PERFORMING ORGANIZATION REPORT NUMBER				
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES)				
10. SPONSOR/MONITOR'S ACRONYM(S)				
11. SPONSOR/MONITOR'S REPORT NUMBER(S)				
12. DISTRIBUTION/AVAILABILITY STATEMENT <b>Approved for public release; distribution unlimited</b>				
13. SUPPLEMENTARY NOTES <b>Defense Horizons, October 2012</b>				
14. ABSTRACT <b>In 2010, a National Defense University (NDU) research project called TIDES1 (Transformative Innovation for Development and Emergency Support) was invited to partner with a company to produce a tradeshow about humanitarian assistance and disaster relief missions and related capabilities. Despite senior-level Department of Defense (DOD) guidance to pursue public-private partnerships DOD attorneys told TIDES managers to reject the agreement. Differing legal interpretations of the word partner generated concern that the proposed partnership could create an impermissible perception of government endorsement of a private company. Even though it would have advanced the government's mission and promoted efficiency, a variety of obstacles scuttled the proposed cooperation.</b>				
15. SUBJECT TERMS				
16. SECURITY CLASSIFICATION OF:			17. LIMITATION OF ABSTRACT <b>Same as Report (SAR)</b>	18. NUMBER OF PAGES <b>13</b>
a. REPORT <b>unclassified</b>	b. ABSTRACT <b>unclassified</b>	c. THIS PAGE <b>unclassified</b>	19a. NAME OF RESPONSIBLE PERSON	

examples from each of the four categories, including how the collaborators overcame the challenges they faced and practical implications for future PPC efforts. The paper ends with key observations and recommended next steps for further research and reform.

## The Imperative to Cooperate

PPC has proved to be effective at the U.S. Department of State and U.S. Agency for International Development (USAID).<sup>4</sup> DOD leaders are expressing interest in implementing parallel approaches. PPC is intended to further policy objectives, enhance U.S. operational capabilities, reduce costs, gain access to nonmilitary expertise or assets, or build greater capacity in partners. As DOD adapts to meet evolving roles and missions in an unpredictable and complex world amid fiscal constraints, the expertise and involvement of the private sector, including nongovernmental organizations (NGOs), research institutions, and academia will be essential.

The National Security Strategy (NSS), Quadrennial Defense Review, Quadrennial Diplomacy and Development Review, National Defense Strategy, and several joint publications and DOD directives emphasize partnerships between the government and the private sector.<sup>5</sup> A notable study conducted by the Center for Strategic and International Studies observed that the private sector has appeared with increasing frequency in each NSS since 2002, reaching no fewer than 44 times in the 2010 version.<sup>6</sup> The NSS notes that America's "ability to apply the ingenuity of our public and private sectors toward the most difficult foreign policy and security challenges of our time will help us protect our citizens and advance U.S. national security priorities."<sup>7</sup>

Yet efforts to implement public-private arrangements often fall short, especially in DOD. Proponents of PPC face significant hurdles establishing or sustaining cooperation. For example, Admiral James Stavridis and his colleague Evelyn Farkas, two path-breaking practitioners of PPC at both U.S. Southern Command (USSOUTHCOM) and U.S. European Command (USEUCOM), observed in a recent paper three types

of systemic challenges: legal and regulatory restrictions, lack of trust, and lack of proper institutionalization of public-private efforts.<sup>8</sup>

Some leaders are trying to do better. To paraphrase one combatant command's forward-leaning guidance: "The public and private sectors offer resources, access, and expertise beyond USSOUTHCOM's authority and capacity. Leveraging such expertise [from the private sector] in peacetime improves our domain awareness and enhances stability. In times of crisis or disaster, these resources improve our ability to respond effectively.<sup>9</sup> To be successful in the complex, dynamic, politico-military environment of the 21<sup>st</sup> century, DOD must embrace PPC as a central operating tenet.

## Analytic Framework for PPC

This paper introduces an analytic framework to categorize PPC within DOD on the basis of the arrangement's formality, reflecting the reality that much cooperation between DOD and the private sector evolves organically, by necessity. A description of the four categories follows:

- ◆ Category I. Contractual arrangements reflect PPC based on clear rules of governance, risk, and accountability. *Advantage:* institutionalization, shared goals, clearly defined expectations and criteria for performance lead to success. Over time they accrue the benefits of precedent and familiarity. *Disadvantage:* inflexibility.
- ◆ Category II. Well-defined standards and protocols characterize PPC based on agreed-upon, consistently applied processes. *Advantage:* shared standards and executable protocols regarding what to do and how to do it. *Disadvantage:* different interpretations of how to apply the standards makes them hard to replicate and scale.
- ◆ Category III. Broad frameworks for interaction reflect PPC based on statements of objectives and intent rather than shared processes of accountability and action. *Advantage:* provide forums for discussions that facilitate spontaneous cooperation or at least mitigate conflict. In complex, rapidly evolving situations such as in the aftermath of a humanitarian disaster, traditional command and

control among diverse first responders and stakeholders is impossible, so such frameworks for interaction are vital to prevent conflict. *Disadvantage:* lack of accountability and ownership inherent in loose accords often lead to inaction, dissatisfaction, and disuse.

- ◆ Category IV. Emergent/undefined situations reflect circumstances that require cooperation because of rapidly changing events. This category portrays the ambiguous reality of complex environments where governments and private-sector organizations and individuals must act in the absence of the guidance described in categories I, II, and III. When clear roles and responsibilities are absent, those working on such emerging issues adapt opportunistically, usually based on personalities and circumstances. Much of the PPC that occurs at this level is never documented precisely because it is informal and spontaneous. *Advantage:* Because few or no formal sets of collaborative mechanisms or procedural guidelines have been established, actors have maximum flexibility to be adaptive and creative. *Disadvantage:* Even when cooperation is possible, the lack of guidance can lead to unintended competition and perhaps conflict. It is hard to institutionalize lessons learned and develop structured paths to improvement.

## Category I: Contractual Arrangements.

*Civil Reserve Air Fleet (CRAF).* CRAF uses contractual arrangements with U.S. civilian airlines to expand DOD airlift capabilities in emergencies when U.S. military airlift capacity alone cannot meet demand. Commercial airlines pledge aircraft to CRAF to be activated if needed. The airline companies are incentivized to participate through several mechanisms that reduce cost and risk at government expense. CRAF consists of three activation stages with clear transition, governance, and decision processes. There are established procedures for communication and dispute resolution. Few instances of PPC require such sophisticated escalation; however, CRAF's structure of clearly defined escalation stages for increasing degrees of involvement and

established processes for managing disputes can offer lessons for many PPC designs.<sup>10</sup>

**Overcoming challenges:** CRAF is a successful program that has saved cost and increased DOD airlift capacity when needed, while also providing stability and business to the commercial airline companies. When issues have arisen due to changes in the external environment, contracts have been renegotiated through the existing dispute resolution mechanisms in the CRAF program. This is one reason why CRAF has enjoyed stability and longevity.<sup>11</sup>

The “So what?” lessons:

- ◆ **Sorting out the details:** Large-scale PPC is possible through the use of detailed contracts. This approach may be effective for agreements of varying size, scale, and scope. Investing time and attention in precise details when both parties support such specificity can be a way to avoid difficulties that arise from ambiguous roles, inadequate planning, unforeseen circumstances, or unintended consequences.
- ◆ **Adopting a phased approach:** Clear escalation stages and dispute resolution processes are critical to such agreements. Recognizing that PPC is often desirable in circumstances that are evolving suggests that there are advantages to building phases into the expectations for cooperation. Setting thresholds for action can allow oversight and investment to increase in proportion to risk, reward, or size of the cooperation. Multiphased approaches may allow PPC to make immediate gains on easier-to-address issues and gain momentum to move toward deeper levels of cooperation.

*Cooperative Research and Development Agreements (CRADAs).* A CRADA is designed to accelerate the development of both militarily and commercially viable products by creating a structured environment for protecting intellectual property (IP) through the use of specific requirements defined by the public sector. CRADAs leverage private sector resources and knowledge to meet the needs of government agencies at no financial cost to the government. They offer both parties the chance to share technical expertise, ideas, and information in a protected environment.<sup>12</sup> In a CRADA, all

parties are allowed to keep research results confidential for several years. Furthermore, while the government and private partner(s) share IP created jointly, private partners also can receive exclusive rights for their uniquely generated IP to support commercial opportunities.<sup>13</sup>

**Overcoming challenges:** Despite the contractual protection a CRADA offers, there is no single process, assessment framework, or standardized approach for establishing a CRADA or assessing its effectiveness. The Air Force and Navy each use standard (but different) CRADA templates and processes for monitoring them. However, the Army delegates CRADA arrangements to the individual laboratories that are conducting the research. This inconsistency creates flexibility for the specific Services but lengthens the processes for engaging private partners and reduces the likelihood of leverage or efficiency across CRADA efforts.<sup>14</sup>

The “So what?” lessons:

- ◆ Recognize and respond to each collaborator’s concerns: Companies face concerns around IP in a competitive marketplace that prevents robust cooperation with government. This kind of confidentiality agreement can unlock the potential for public-private innovation. Gaining insights into a potential partner’s unique goals and concerns in different situations helps resolve barriers to cooperation. The evolution of CRADAs offers insight into how DOD can interact with multiple partners in a mutually collaborative relationship when those partners may have competitive relationships in different contexts. Moreover, this example illustrates how collaborators can adopt specific policies and mechanisms that respond to the unique concerns of particular actors or situations.

- ◆ Recognize that progress is possible: Until the 1980s, when reforms such as the establishment of CRADAs were introduced, the Federal Acquisition Regulations and the Defense Federal Acquisition Regulation Supplement were so restrictive that DOD put itself at a disadvantage. The laws and policies intended to create a level playing field for competition actually deterred many players with valuable skills from getting on the field at all. When Congress realized that, it changed the rules to facilitate further PPC and

unleashed a flood of cooperation. A review should be conducted not only of what additional legislative and regulatory changes will be needed to advance PPC further, but also of actions the Executive Branch can take on its own.

## Category II: Well-defined Standards and Protocols

*Medical Support through USNS Comfort and USNS Mercy.* USNS *Comfort* and her sister ship, USNS *Mercy*, are noncommissioned U.S. Navy ships staffed by mixed military and civilian crews, including both military and civilian medical staff. They provide mobile, flexible, and rapidly responsive afloat medical capabilities for acute medical and surgical care in support of relief and humanitarian operations worldwide. Both ships have seen numerous deployments (*Comfort* generally in the Atlantic, *Mercy* in the Pacific), including foreign and domestic, combat support, and relief missions.<sup>15</sup>

Overcoming challenges:

- ◆ Lack of a consistent approach to staffing the missions: Each mission has been manned differently, drawing on nonmilitary medical centers, available medical staff, and volunteers. While the military recognizes that embarking NGOs and staff from diverse backgrounds is consistent with the goals of the mission and increases the impact of the ship’s presence on the targeted communities, there is no easy way to interoperate with many NGOs. Embarked civilians often are more like passengers than partners, which can lead to missed opportunities for more productive engagements during missions. An efficient procedure for sustainably integrating the private organizations into the ships’ operations is still needed.

- ◆ Unresolved legal issues: There are legal impediments that entities in the private sector are unaccustomed to dealing with or that present unique challenges for DOD when working with actors outside of DOD.<sup>16</sup>

- ◆ Lack of a consistent set of measurements: Operational lessons learned are captured for each mission, but there is no standardized set of measurements or processes to link operations with strategic objectives across

missions.<sup>17</sup> Data-gathering has improved significantly in the past 2 years, but it still tends to focus on capturing raw numbers rather than evaluating impact, analyzing trends, or examining outcomes longitudinally.

The “So what?” lessons:

- ◆ Good policy enables good cooperation: Despite many successes, the hospital ships show how policy, legal, procedural, and regulatory constraints can hamper PPC. Identifying and addressing obstacles early will greatly enhance the probability of successful cooperation. Ultimately, permanent flexible authorities and better policies are needed to streamline cooperation with NGOs.
- ◆ Engage the partners before a crisis: Much of the innovation in PPC has emerged from crises like natural disasters. In such situations effective responses often hinge on social networks and personal trust, and these usually take time to develop. Sustained and consistent outreach to the private sector before, during, and after disasters can lead to lasting partnerships and better policies. Tabletop exercises and simulations that stress-test PPC design through different scenarios will increase the likelihood that the right partners perform their roles when needed. The Federal Emergency Management Agency (FEMA) continuously works on such procedures with state and local emergency managers. U.S. Northern Command has similar relationships with the National Guard and local responders.<sup>18</sup> Involving collaborators earlier in a strategic planning process would improve cooperation and outcomes and would speed responsiveness to any situation. This should include building a planning framework based on different scenarios to develop manpower requirements, align terminology, mesh objectives, and define methods of engagement among the different participants. Rather than disconnected events, exercises should form a continuous framework that builds on previous errors, which could be corrected in subsequent interagency and multidisciplinary exercises.
- ◆ Measure success the same way: Developing shared frameworks of performance objectives and measurements for assessing, comparing, and learning from operations would help nontraditional partners to cooperate.<sup>19</sup> When partners define progress in the same way (or in complementary ways), it encourages them to work together organically rather than through continual negotiation.<sup>20</sup> It would also allow for comparative analysis and adoption of best practices between areas of responsibility, as has been possible on an anecdotal basis between Africa Partnership Station<sup>21</sup> and Operation *Continuing Promise*.<sup>22</sup>
- ◆ Be mindful of security restrictions: PPC often involves complicated and potentially controversial issues around information-sharing since many potential private-sector collaborators will not have clearances. This requires creative workarounds to coordinate activities and communicate within bounds that make all parties comfortable.

### Category III. Broad Framework for Interaction

*Aid and International Development Forum (AIDF) and TIDES.* AIDF is a United Kingdom-based for-profit company that hosts an annual tradeshow on humanitarian aid and development solutions, including ways for businesses to work with NGOs, United Nations organizations, and other government entities. It also involves supplier exhibits of existing and potential solutions for austere environments. TIDES is a DOD research project dedicated to open-source knowledge-sharing to promote sustainable support to populations under stress in postdisaster, postwar, or impoverished regions. AIDF sought to partner with TIDES to use the project’s expertise on disaster scenarios and response. In exchange AIDF offered to let TIDES display its logo in the conference brochure and they reduced the exhibit fee.

Overcoming challenges:

- ◆ Words matter: Legal interpretations of the word *partner* differ; in some contexts it connotes a form of contractual obligation for services performed rather than the colloquial sense of *cooperation* often implied in policy statements. DOD attorneys argued that highlighting certain

responses in the conference environment could be interpreted as endorsement, thereby violating the requirement that DOD maintain independence. It was the “risk of exclusion” consideration that made the word partner in the AIDF-TIDES discussion impossible to overcome.

- ◆ Perceptions matter: There were concerns that showing the TIDES government logo on a for-profit entity’s Web site or in its catalogue could be construed as an inappropriate use of the government’s imprimatur. There was also risk to the government should the for-profit entity engage in activities inconsistent with the purposes of TIDES or government regulations.

The “So what?” lessons:

- ◆ Choose words carefully: Be sensitive to the fact that *partnership* is an elastic term that covers a range of intentions and activities. Begin early to identify and address potential liability issues, inappropriate positioning, and potential conflicts of interests among the partners. PPC could benefit from sound legal advice early in the process.
- ◆ Leverage the capabilities of different organizations: Clearly define the boundaries and objectives of the differing organizations. TIDES and STAR (Sharing to Accelerate Research<sup>23</sup>)-TIDES have complementary aims but different structures—TIDES is a DOD research project while STAR-TIDES is a global knowledge-sharing network—so they have correspondingly different “boundaries” regarding who participates and how and when they may do so. Mapping out this distinction among different stakeholders may suggest ways to work through specific legal constraints.
- ◆ Search for common ground among parties and begin cooperation there, expanding outward to more specific areas later: The “lowest common denominator” among those procedures, expectations, policies, norms, goals, or capabilities that works well with all parties would serve as the foundation for cooperation. This is also true when working to identify shared goals and shared expectations. Even where one side can dictate terms, it could be counterproductive

to do so. Collectively, approaches should promote unity of effort, recognizing that there will not be unity of control. There will often be no rulebook, authorities will be confusing, and precedents may not be obvious or accessible. If a consensus on a division of labor or agreement is not readily attainable, at least seek to align common goals, operating principles, or expectations to minimize misunderstandings, redundancies, or conflicts.

## Category IV: Emergent/Undefined Situations

*Critical Infrastructure Protection: Rapid Power Grid Disruption.* Threats to power grids have significant consequences for economic activity, public safety, and national security.<sup>24</sup> There are myriad vectors for disrupting power grids including malevolent attacks, human error, natural disaster, or even geomagnetic storms.<sup>25</sup> The interconnected nature of power systems and their dependence on computer control systems requires close coordination and cooperation across many different organizations to minimize potential effects and to restore service as quickly as possible.

Wide area power grid disruptions can occur with little notice. Under these circumstances, it is essential to enable communication and cooperation to avoid potentially catastrophic damage to infrastructure and public safety caused by a lack of consultation and uncoordinated actions among multiple private power companies, the public sector (at Federal, state, local, and tribal levels), and third parties (hospitals, citizens) as each reacts to protect its own assets.

Power grids represent a type of critical infrastructure that requires PPC to secure.<sup>26</sup> As the 2010 National Security Strategy states:

*The private sector, which owns and operates most of the nation’s critical infrastructure, plays a vital role in preparing for and recovering from disasters. It is advantageous, therefore, to strengthen public-private partnerships by developing incentives for government and the private sector to design structures and systems that can withstand disruptions and mitigate associated*

*consequences, ensure redundant systems where necessary to maintain the ability to operate, decentralize critical operations to reduce single points of disruption, develop and test continuity plans to ensure the ability to restore critical capabilities, and invest in improvements to, and maintenance of, existing infrastructure.<sup>27</sup>*

**Overcoming challenges:** The lack of an operational coordination framework to share information, understand potential effects, and prioritize mitigation steps is a core challenge for responding to a massive disruption of the power grid or nearly any consequence management situation. In many cases, the government is being left out of planning because private companies are building plans to shut down their systems to mitigate their own risks. While these steps protect a utility's expensive equipment, they may increase the extent and duration of power outages. A rapid coordinated response to a disruptive event is vital to minimize impact and avoid unintended consequences.

- ◆ Establish common processes and procedures: Putting in place a variety of platforms for promoting awareness and resilience can speed responses. These would include processes and systems to support private and public information-sharing about preparation, contingency planning, and responses; a shared global event monitoring network to increase awareness and identify lessons learned and best practices; knowledge of primary interdependencies including other critical infrastructures likely to be affected; and prioritized mitigation strategies to restore power as quickly as possible to high impact areas and sectors. Such a framework for establishing common processes and procedures in response to a power grid failure can be broadly applicable to a range of multistakeholder environments and public-private situations requiring collective actions leading to shared consequences. Similar concepts apply to building partner capacity for maritime security and enforcement in littorals as well as consequence management of epidemiological crises, whether from bioterror attack or influenza outbreak.

- ◆ Leverage technology to share information: Existing (or developing) open-source collaborative platforms

based on social media and other “edge” technologies can speed insights about potential consequences of a power outage if properly leveraged. The widespread nature of such disruptive events would require a distributed communications platform to share information and mobilize resources quickly to where they are most needed.<sup>28</sup> Innovative organizations such as the International Network of Crisis Mappers<sup>29</sup> and open-source information-sharing platforms have proved the value of integrating collaborative technologies into public-private cooperation. Field experiments conducted by TIDES with DOD and NGO partners (discussed below) have reinforced these points.<sup>30</sup>

The “So what?” lessons:

- ◆ New cooperation mechanisms are needed: PPC in fast-moving, highly-distributed activities should be based on common principles, processes, or procedures to minimize tension or conflict as multiple actors respond to emerging situations. Open source collaborative platforms can enhance situational awareness. A number of such capabilities can be implemented quickly.<sup>31</sup>
- ◆ Connect before a crisis: The worst time to meet potential collaborators is after a major challenge, conflict, or crisis has begun. Exercises, simulations, conferences, working groups, or training and education programs can help people from different sectors and communities become more comfortable with each other and capable of working together ahead of time.

*Field Experimentation at Camp Roberts.* Each quarter, the Naval Postgraduate School (NPS), U.S. Department of Homeland Security, TIDES, and other organizations (both private sector and nonprofit) convene at Camp Roberts in central California to conduct field experiments known as Research and Experimentation for Local and International Emergency and First Responders (RELIEF). These events help diverse organizations and individuals collaborate across organizational boundaries under different simulated crisis conditions. RELIEF brings together public- and

private-sector individuals and entities for several days to design, develop, and test open-source technical solutions for specific crisis scenarios. Such cooperation has already generated support in real-world situations across various information flows—voice, video, and data—among diverse participants and geographic boundaries.<sup>32</sup> On occasion, RELIEF has catalyzed commercial competitors to collaborate on humanitarian relief efforts.

In 2012, a new type of activity called the Joint Inter-agency Field Experimentation (JIFX) began at Camp Roberts. Participants include multiple combatant commands and several other U.S. Government agencies such as USAID and FEMA, as well as the private sector, and looks at scenarios beyond the humanitarian assistance and disaster relief focus of RELIEF. The JIFX approach also opens a more structured way to address the Camp Roberts collaboration that eventually could move some of these interactions into category III.<sup>33</sup>

**Overcoming challenges:** There is a broadly accepted principle that government organizations are required to refrain from giving any one company preferential treatment over another arbitrarily. At Camp Roberts, some private-sector organizations participate and others do not. Should RELIEF prohibit certain private-sector organizations from participating if their competitors or similar entities cannot attend because of their own funding or policy constraints?<sup>34</sup> This notion, known as the “exclusionary principle,” prevents one company from being disadvantaged, but it can also prevent a company from contributing. No consistent processes or clear guidelines exist to resolve this question.

The “So what?” lessons:

- ◆ **Include counsel as an enabler, not a constraint:** It is essential to consult counsel early and often in developing cooperative arrangements with the private sector. Ideally, engagement with legal advisors should occur before a specific partner is considered so that general principles and guidelines or even a well-developed policy can be formulated. Generally, any form of cooperation must be able to address three legal issues: government personnel shall not use government property for other than authorized purposes;<sup>35</sup> government

personnel shall not use public office for private gain;<sup>36</sup> and government personnel shall not give preferential treatment to any private organization or individual.<sup>37</sup> Cooperation between DOD and private-sector entities is a recognized need of DOD, confirmed by strategic guidance. Precedents exist; many are provided in this paper. Legal counsel can advise decisionmakers on how to enter into cooperative agreements legally, ethically, and prudently.

- ◆ Prepare to answer questions about profit when dealing with companies: Anticipate that issues around profit, preferential treatment, and IP will arise and develop processes or principles for addressing them. Consider using CRADAs or challenge grants as mechanisms to support IP development and distribution related to activities. If there is no time or inclination to use a CRADA, other frameworks, such as the Linux model, may be used to address IP concerns or other issues surrounding the appropriate use of resources.
- ◆ When in doubt, return to the mission as a source of guidance: A mission-related rationale, a strong operational justification, and transparent decisionmaking are compelling rebuttals to any claim of undue influence or inappropriate conduct in the course of PPC.
- ◆ Create the tools you need: Explore the possibility of creating or using existing nonprofit organizations with appropriate tax status to coordinate funding between different sources. This has two benefits: it enables commingling public-sector and private-sector funding to support activities, and it does not restrict providing funding to private-sector or civil society organizations that otherwise would be unable to participate.<sup>38</sup>

## Conclusions

The paper suggests several broad conclusions about enhancing PPC that can be applied immediately:

**PPC Objectives Need to Be Clarified Early.** Since different types of PPC support different types of objectives, the first step is to determine the types of PPC that presently exist and the type of cooperation that is desired. The

continuum of formality approach proposes four categories, each with its own set of problems to overcome. This paper describes potential solutions that might be used in other PPC contexts to overcome similar challenges.

**PPC Should Promote Mutual Benefits.** PPC must be based on shared visions, principles, goals, objectives, and standards—and these must be measured and assessed across all stages of an operation. In sum, there needs to be a sense of community around a common purpose. Co-operation is most effective when all partners gain something of value and make concessions symmetrically.

**Having a Central Coordinator of PCC Is Useful.** Organizations that want to undertake significant PPC can benefit from a centralized coordinator to make their capabilities more accessible to private sector agents. The lack of a central point of contact is one of the primary complaints of many NGOs that want to work with the government. Centralized offices or coordinators such as the Global Partnership Initiative at the Department of State, Office of Public-Private Cooperation at USSOUTHCOM, or Special Advisor for Public-Private Collaboration at USEUCOM are examples of significant efforts. U.S. Northern Command actively participates in conferences on public-private coordination.<sup>39</sup> These kinds of structures can separate organizations that are well prepared to work with outside entities from those that struggle.

**Senior Sponsorship Is Key.** Offices dedicated to PPC need direct sponsorship from senior leaders in their organizations. If a DOD office has a Senior Executive Service or general officer/flag office advocate for PPC, the efforts are more likely to be successful. Without such sponsorship, it is very difficult to secure enough support to change policies, behaviors, and expectations, let alone resource allocations.

**Cross-cultural Issues Must Be Addressed.** Advocates of PPC need to understand and address directly the different cultures, norms, and expectations of diverse organizations to minimize mistrust, frustration, burnout, or default. It may be a cliché to acknowledge the cultural differences inherent in PPC, but acting on that knowledge and being responsive to the characteristics of different partners is not common.

**Build Flexibility into Contracts.** PPC based on contractual arrangements (category I) needs to be flexible

enough to adjust to external changes. Incorporating procedures for communication and dispute resolution would help the PPC agreements to endure.

**Develop a Framework for Interaction.** PPC based on a broad framework of interaction (category III) needs to evolve as quickly as possible to build well-defined standards and protocols. Not doing so would lead to “PPC drift,” with little accountability and clarity of authority. Such drift would eventually result in frustration and call into question the ongoing relevance of the agreement.

**Assess Emergent Conditions.** Emergent conditions (category IV) require a process to assess the potential nature and implications of a problem, as well as potential stakeholders. In these types of conditions it is particularly important that communications be based on a broad framework of interactions. It also may be important to develop “what if?” scenarios to evaluate how potential problems might metastasize into actual ones.

## Recommendations and Next Steps

This paper proposes broad recommendations to help provide a framework for the future of PPC in DOD. The Defense Department needs to pay more attention to PPC, clarify authorities, and allocate appropriate resources. Incremental changes could bring benefits now, but systemic solutions will be needed for DOD to implement PPC on the scale that will be required to meet the evolving demands of the new strategic environment. There are several significant steps Defense Department leadership could take to promote PPC DOD-wide. These recommendations center on policy and doctrine, organization, training and education, and congressional support.

### Policy and Doctrine

Policy direction: This paper recognizes the work that the Office of the Secretary of Defense (OSD) is conducting to produce a detailed directive on PPC that gives clear, actionable, senior-level guidance, confers legitimacy, and elevates the role of PPC in DOD, such as Joint Publication (JP) 3-08, *Interorganizational*

*Coordination During Joint Operations.* Such a publication is urgently needed.

PPC doctrine: The Joint Staff and Services should further develop doctrine to support PPC in order to enlist greater private sector engagement, following the example laid out by JP 3-08. The 2011 update of this document addresses<sup>40</sup> the urgent need for cooperation with the private sector (including nongovernmental organizations). This paper complements JP 3-08 by providing additional recommendations and specific examples concerning DOD engagement with the private sector.

### ***Organization***

DOD-wide PPC coordination: OSD should create a DOD-wide coordinator for PPC policy. The coordinator might report to the Under Secretary of Defense for Policy, Under Secretary of Defense for Acquisition, Technology, and Logistics, or Deputy Chief Management Officer. This office should reach out to counterpart organizations at the Department of State and USAID to establish a regular coordination mechanism for harmonizing a national approach to PPC as an element of foreign policy and national security.

Joint Staff PPC coordination: The Joint Staff should establish a PPC coordination office, possibly within the J5 or J7. This office should maintain a strong communication and coordination channel with the proposed civilian PPC office in OSD. Currently, the new JP 3-08 outlines the role for various joint and interagency efforts, such as joint interagency coordination groups and joint interagency task forces.<sup>41</sup> Building on the need for interagency cooperation, this paper was drafted as a way to address specific examples of engagement with the non-NGO private sector in order to highlight some of the issues that may be encountered by such interagency entities.

Engage lawyers early: Particular attention should be given to building a collaborative relationship with DOD Counsels General and Judge Advocates General. For reasons described above, legal constraints are likely to emerge as impediments to PPC on several levels. Focusing attention on

preparing DOD lawyers to be enablers can have significant impact on the effectiveness and scope of future PPC.

Learn from the special operations forces (SOF) community: The SOF community could serve as advocates for PPC and provide valuable lessons. The community represents a respected cadre of warfighters who have decades of experience collaborating with nonmilitary organizations in diverse environments.

Consider establishing an officer PPC subspecialty: Consideration should also be given to developing a subspecialty of officers who understand PPC and evolve into advocates for it and leaders of it as they rise through the ranks. The military has cultivated cadres of champions in civil affairs, regional specialties, and counterinsurgency, among others. PPC demands similar expertise.

Improve coordination of PPC activities among combatant commands: A coordinating body among combatant commands should be established to identify best practices, share lessons learned, and coordinate PPC advocacy. While JP 3-08 addresses the needs and roles of several joint interagency groups within DOD, this paper offers specific examples of how such cooperation can be established and what problems and issues might be avoided in implementation of the new doctrine.<sup>42</sup> A growing number of combatant commands are assigning responsibility for PPC advocacy and dedicating resources to it. The next step toward consolidating these gains is to improve communication and coordination between small groups of leaders at each command.

### ***Training and Education***

Incorporate PPC into military and civilian education: Educating military officers on the fundamentals of PPC can help shape DOD willingness and capacity to engage in such activities. PPC principles and concepts should be incorporated into professional military education (PME) and joint PME at all levels from junior officers to Capstone and Pinnacle courses. Similar education and training should be made available to civilians who will work with organizations in the private sector.

Promote organizational learning: Organizational learning and adaptation is just as important for the success of PPC as training and education for individuals. A

robust mechanism for capturing best practices and lessons observed as well as annual training exercises and events is needed to stimulate ongoing discussion and learning on PPC. Lessons are never “learned” until behaviors change, and training, experimentation, and simulations are an effective means by which to gather insights and change behavior. These also could serve as a valuable forum for convening non-DOD stakeholders along with DOD counterparts.

#### **Congressional Support**

Over time, advocates for PPC throughout the executive branch will need to work with Congress to consider legislative initiatives to clarify laws, authorities, oversight, and guidance to advance PPC.

## **Additional Research Dimensions**

This paper is intended to begin a discussion based on PPC case studies to help anticipate challenges and identify steps to overcome them. The analytic framework it presents is based on a *continuum of formality*; in subsequent research, a broader, multidimensional framework could be developed to explore more examples in greater depth. Six possible additional dimensions of PPC are:

- ◆ Policy objectives: DOD policy objective for the cooperation (for example, research and development, humanitarian relief, and cost reduction are all widely divergent objectives)
- ◆ Type of partners: The type of private partner(s) in the cooperation (for example, private sector entity, NGO, academic institution, local group, or multinational organization)
- ◆ DOD stakeholders: DOD stakeholders involved in the cooperation (for example, Service, COCOM, or agency)
- ◆ Structure of collaboration: The structure of the relationship between DOD and collaborator(s) (for example, bilateral or multilateral cooperation, alliance, or coalition partnerships)
- ◆ Duration of collaboration: The duration and frequency of cooperation (for example, one-off, annual, frequent, or circumstantial)
- ◆ Scope of collaboration: The volume, scale, and scope of the cooperation (for example, number of organizations,

countries, programs, activities involved, or the level of time or financial investment required).

PPC is an increasingly important part of the DOD toolkit, especially as the Defense Department faces the dual challenges of internal resource constraints and a complex and competitive external environment. However, DOD will have to bridge important gaps between high-level policies and the on-the-ground procedures to implement them. In some cases, new authorities, resources, infrastructure, and cultural changes may be needed. By providing examples of how innovative people have solved some of the challenges they faced, this paper aims to help bridge those gaps.

### **Acknowledgments**

The authors appreciate the support of Mr. George Topic of the Center for Joint and Strategic Logistics, as well as Dr. Ralph Welborn, Mr. Oscar De Soto, and Mr. Josh Marcuse of Booz Allen Hamilton in preparing this paper.

### **Notes**

<sup>1</sup>TIDES is described in category III of the analytic framework. See <[www.star-tides.net](http://www.star-tides.net)>.

<sup>2</sup>For example, U.S. Southern Command (USSOUTHCOM) has chosen to use the term *public-private cooperation* (PPC) in lieu of *public-private partnership* for this exact reason. Additionally, *cooperation* is preferred by some governments in coalition contexts. The authors’ use of cooperation is intended to encompass the spectrum of action that includes communication, cooperation, coordination, and collaboration plus, in the North Atlantic Treaty Organization context, consultation.

<sup>3</sup>Both the State Department and USAID have extensive public-private activities under way. Therefore, this paper focuses on improving PPC in DOD.

<sup>4</sup>A review of multiple databases, case studies, and concept papers has identified over 4,000 examples of PPC. Valuable resources include: U.S. Department of State’s Global Partnership Initiative Office, with special thanks to Jim Thompson, Deputy Special Representative for Global Partnerships; RAND Corporation’s Arroyo Center; National Council for Public-Private Partnerships; USAID; and Global Development Alliance.

<sup>5</sup>For example, in DOD Instruction 3000.05 on stability operations, combatant commanders are directed to “align DOD theater strategies and plans with complementary stability operations-related capabilities, strategies, and plans of other U.S. Government agencies, foreign government and security forces, and the private sector” (emphasis added).

<sup>6</sup>Daniel Runde et al., *Seizing the Opportunity in Public-Private Partnerships: Strengthening Capacity at the State Department, USAID, and MCC* (Washington, DC: Center for Strategic and International Studies, November 1, 2011).

<sup>7</sup>*National Security Strategy* (Washington, DC: The White House, 2010).

<sup>8</sup> James G. Stavridis and Evelyn N. Farkas, "The 21st Century Force Multiplier: Public-Private Collaboration," *The Washington Quarterly* 35, no. 2 (April 2012), 7–20.

<sup>9</sup> USSOUTHCOM Policy Memorandum 05-09, "Public Private Cooperation Policy," June 10, 2009.

<sup>10</sup> See <[www.dot.gov/ost/oet/craf.htm](http://www.dot.gov/ost/oet/craf.htm)>.

<sup>11</sup> See <<http://republicans.transportation.house.gov/Media/file/TestimonyAviation/2009-05-13-Coretz.pdf>>.

<sup>12</sup> See <[www.usgs.gov/tech-transfer/what-crada.html](http://www.usgs.gov/tech-transfer/what-crada.html)>.

<sup>13</sup> See <[www.wpafb.af.mil/shared/media/document/AFD-070905-013.pdf](http://www.wpafb.af.mil/shared/media/document/AFD-070905-013.pdf)>; see also <[www.imagingnotes.com/go/article\\_free.php?mp\\_id=191](http://www.imagingnotes.com/go/article_free.php?mp_id=191)>.

<sup>14</sup> See <[www.flcnortheast.org/WestPoint2010/Ryan.pdf](http://www.flcnortheast.org/WestPoint2010/Ryan.pdf)>; see also <[www.ott.nih.gov/cradas/model\\_agree.aspx](http://www.ott.nih.gov/cradas/model_agree.aspx)>; and <[www.usgs.gov/tech-transfer/handbook/TT\\_Handbook-CRADA.doc](http://www.usgs.gov/tech-transfer/handbook/TT_Handbook-CRADA.doc)>.

<sup>15</sup> See <[www.med.navy.mil/sites/usnscomfort/Pages/default.aspx](http://www.med.navy.mil/sites/usnscomfort/Pages/default.aspx)>; see also <[www.msc.navy.mil/N00P/overview.asp](http://www.msc.navy.mil/N00P/overview.asp)>.

<sup>16</sup> USSOUTHCOM has requested a change in legislative language to make it easier to provide such expenses to nongovernmental organizations desiring to support humanitarian and civic assistance activities.

<sup>17</sup> See <[www.med.navy.mil/sites/nmcisd/scmsca/Shared%20Documents/Operational%20Medicine/Navy-NGO%20Coordinations.pdf](http://www.med.navy.mil/sites/nmcisd/scmsca/Shared%20Documents/Operational%20Medicine/Navy-NGO%20Coordinations.pdf)>.

<sup>18</sup> See <[www.northcom.mil/News/2012/022412.html](http://www.northcom.mil/News/2012/022412.html)>.

<sup>19</sup> See <[www.med.navy.mil/sites/usnsmercy/Pages/default.aspx](http://www.med.navy.mil/sites/usnsmercy/Pages/default.aspx)>; and <[www.med.navy.mil/sites/usnscomfort/Pages/default.aspx](http://www.med.navy.mil/sites/usnscomfort/Pages/default.aspx)>.

<sup>20</sup> See <<http://coe-dmha.org/>>.

<sup>21</sup> A strategic program designed by U.S. Africa Command to build the skills, expertise, and professionalism of African militaries, coast guards, and mariners.

<sup>22</sup> U.S. military exercises conducted by USSOUTHCOM that provide medical, dental, and veterinary aid to Latin America.

<sup>23</sup> TIDES is a part of STAR.

<sup>24</sup> See <[www.ndia.org/Divisions/Divisions/EnvironmentAndEnergySecurity/Documents/Content/ContentGroups/Divisions1/Environment/Energy\\_PDFs/2008%20DSB%20Energy%20Briefing.pdf](http://www.ndia.org/Divisions/Divisions/EnvironmentAndEnergySecurity/Documents/Content/ContentGroups/Divisions1/Environment/Energy_PDFs/2008%20DSB%20Energy%20Briefing.pdf)>.

<sup>25</sup> See NDU, Energy and Environmental Security Policy Program, After Action Report on a roundtable exercise on "Severe Space Weather Threats: National Electrical Grid and Impacts to Critical Infrastructures" held on October 3, 2011.

<sup>26</sup> Critical infrastructure is by no means the only aspect of citizen security where cooperation between the government and private sector is increasingly important; cybersecurity, food security, civil aviation, and other forms of transportation, and even financial regulation, are

other examples. Power grids are an excellent representative example of this broad requirement for enhanced cooperation.

<sup>27</sup> *National Security Strategy*, 19.

<sup>28</sup> Two new DOD initiatives in this area are Defense Advanced Research Projects Agency's Social Media in Strategic Communication and the pending Information Volume and Velocity Joint Capability Technology Demonstration.

<sup>29</sup> See <<http://crismappers.net/>>.

<sup>30</sup> RELIEF 11-02, Experiments at NPS/Virginia Tech Advanced Research Institute in Arlington, VA, March 2011.

<sup>31</sup> For more information on extreme weather and DOD coordination with private enterprises, contact Dr. Steven Ramberg, Chief of Naval Research Chair and Distinguished Research Fellow at National Defense University. See also Linton Wells II and Ralph Welborn, "From Haiti to Helmand: Using Open Source Information to Enhance Situational Awareness and Operational Effectiveness," available at <<http://star-tides.net/content/haiti-helmand-using-open-source-information-enhance-situational-awareness-and-operational-0>>.

<sup>32</sup> See reports on the February 29, 2012, and March 1, 2012, RELIEF events at <<http://star-tides.net/blogs/camp-roberts-relief-second-day-wrap>>; and <<http://star-tides.net/blogs/camp-roberts-relief-first-day-wrap>>.

<sup>33</sup> See Raymond R. Buettner, "Multi Institutional Semi-Structured Learning Environments," forthcoming.

<sup>34</sup> Some of these organizations cannot participate because of their size or internal policies regarding what kind of sponsored exercises their employees can participate in or they will subsidize.

<sup>35</sup> See 5 C.F.R. § 2635.101(b)(9).

<sup>36</sup> See 5 C.F.R. § 2635.101(b)(7).

<sup>37</sup> See 5 C.F.R. § 2635.101(b)(8).

<sup>38</sup> For more insight into lessons and recommendations regarding the Camp Roberts experiments and open-source public-private partnerships regarding crisis situations, contact John Crowley at <[john@crisispatterns.org](mailto:john@crisispatterns.org)>.

<sup>39</sup> See <[www.northcom.mil/News/2011/072911a.html](http://www.northcom.mil/News/2011/072911a.html)>.

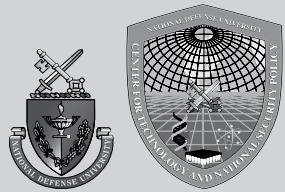
<sup>40</sup> Joint Publication 3-08, *Interorganizational Coordination During Joint Operations* (Washington, DC: The Joint Staff, June 24, 2011), available at <[www.dtic.mil/doctrine/new\\_pubs/jp3\\_08.pdf](http://www.dtic.mil/doctrine/new_pubs/jp3_08.pdf)>.

<sup>41</sup> Ibid.

<sup>42</sup> Ibid.

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